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SUBJECT: E-PINE POLITICAL DIRECTORS, APRIL 30TH MEETING IN
WASHINGTON, DC

Classified By: Classified by: Daniel Fried, Assistant Secretary, EUR, Department of State. Reason 1.4.(b) and (d)

11. (C) Summary. Senior U.S., Nordic, and Baltic officials met in Washington D.C. on April 30th for the eleventh Enhanced Partnership in Northern Europe (e-PINE) Political Directors' meeting. They agreed: that MAP for Georgia and Ukraine in December is desirable, but may be problematic; that the current situation in Georgia is cause for concern; that an orderly transition in Kosovo is needed; and that Belarus should be confronted with a unified message. PolDirs agreed that Moldova should not be forced into neutrality and were hopeful that a 5 2 meeting could occur in the near future. They also discussed Afghanistan (to which all e-PINE countries contribute either personnel or aid), Cuba, Iraq, and the Middle East. Lithuania offered to host the next e-PINE Political Directors' meeting in Vilnius. End Summary.

e-PINE: Political Directors' Meetings in Washington D.C.

12. (C) Political Directors from the eight Nordic and Baltic countries and the United States met April 30th at the Department of State to consult and coordinate policies toward Ukraine, Moldova, Belarus, Russia, Georgia and Kosovo (see para 23 for participant list). The meeting began with a working lunch for delegation leaders only, hosted by EUR Acting Assistant Secretary Kurt Volker and EUR DAS Judy Garber. The subjects of conversation included Afghanistan, Iraq, and Cuba. SCA DAS Patrick Moon spoke on Afghanistan and S/I Deputy Chat Blakeman spoke on Iraq. After lunch, the participants continued their discussions, joined by Acting Under Secretary Dan Fried, turning to Moldova, Belarus, Ukraine, Georgia, Russia, Energy, the Middle East, and Kosovo.

Iraq

13. (C) Swedish PolDir Bjorn Lyrvall said that at the April 30 GAERC, there was discussion of deliverables for the upcoming International Compact with Iraq (ICI). The goals will be to improve the EU presence and ensure a legal basis for EU engagement in Iraq. He hoped that there would be progress on elections, hopefully set for October, and on the hydrocarbon law. Acting A/S Volker said that improving European perceptions of the progress in Iraq would also be an important deliverable. Chat Blakeman noted that economic progress has been made, with Iraq's meeting most IMF targets. The UN role in Iraq is now robust; he hoped that the EU would soon follow suit.

Afghanistan

14. (C) Norwegian PolDir Vegard Ellefsen called for support for Eide's mission; there was agreement that he is the right person for the job. SCA DAS Moon

explained that there are three pillars to the U.S. counterinsurgency strategy: 1) military -- separating insurgents and holding the area, including with the ANA and police; 2) immediate development assistance; and 3) government services provided by Afghan authorities, which depend on the quality of the local government. In the east, roads have been key to success, and we have seen improved security and economic growth. In the south, there have been deficiencies in strategy -- not enough development assistance, not enough soldiers to hold, and a need to do better on local government quality. All agreed that capacity building is central to progress. France's increased engagement was noted with approval. PolDirs agreed that greater contributions from and inclusion of Afghans were needed to make the government and police a success.

 $\P5.$ (C) Estonian PolDir Aivo Orav and Denmark's Liselotte Plesner both mentioned that there is little public opposition to their countries' participation in Afghanistan. By contrast, although she said Iceland's FM is convinced of the need to remain engaged, Icelandic PolDir Greta Gunnarsdottir confirmed public opposition.

Cuba

 $\P6$. (C) AA/S Volker noted that e-PINE countries need to create expectations for change now that Castro is possibly no longer in power. All e-PINE countries agree that there is a need for a democratic transition and respect for human rights. There will be a review of the EU Common Position in June to determine whether to lift the 2003 Restrictive measures, which were officially suspended in 2005. Spain will argue there has been enough progress by Cuba to drop the measures; in exchange, the GOC will agree to engage in a political dialogue with the EU. Volker noted that the U.S. does not see much progress, only some small steps. The prospect of dialogue entrances many in the EU, but they may not reach consensus on dropping the restrictive measures unless the Cubans take a few more steps on human rights or economic openness.

Ukraine

- 17. (C) Acting Under Secretary Fried led the discussion, which centered on the NATO summit and the importance of the statement concerning MAP for Ukraine and Georgia that came out of it. Fried noted that the debate over MAP for Ukraine goes beyond questions of membership to whether NATO can embrace Ukraine as part of the concept of "Europe." In Bucharest, NATO leaders said "not yet" to Ukrainian membership, but did not close the door to the eventuality. All expressed satisfaction with the Bucharest statement regarding Georgia and Ukraine.
- $\P 8.$ (C) Fried added that, domestically, Ukraine needs to focus on reform, on privatization, and on energy security. In less than a month Ukraine will join the WTO. Although the Ukrainians have made good progress in a short period of time, they need to pull themselves together; this will require a great deal of work. There was general concern over the state of Ukrainian domestic politics that may make getting MAP in December difficult. Denmark's Plesner, Latvia's Peteris Ustubs, Lithuania's Vytautas Leskevicius, and Norway's Ellefsen noted their support for Ukraine's membership in the EU. Swedish PolDir Lyrvall was also supportive, but argued for "substance over speed." All agreed that the chance of a membership perspective at this time was slim.
- $\P9$. (C) Fried concluded that there will most likely be heated debate up to December on MAP. Ukraine also needs to develop more pro-NATO sentiment internally. He expressed the hope that the EU will keep the door open for Ukrainian membership until the Ukrainians are ready to join.

Moldova

- 110. (C) Latvian PolDir Ustubs explained that, although the domestic situation is a bit difficult, there have been some positive steps indicating that a 5 2 meeting (Moldova, Transnistria, Russia, Ukraine, OSCE plus U.S. and EU as observers) might be possible in the near future. Moldova is moving down the road towards an enhanced agreement with the EU and this is a very positive development. Participants disagreed over the timing of the agreement, with some preferring to wait until after the elections; however, Lithuania's Leskevicius argued that the agreement should be made ready by October or November. Sweden's Lyrvall noted that this seemed to be an unrealistic timetable, but that getting a good agreement out of the EU was something that everyone could support.
- 111. (C) Participants noted that Moldova's opposition is internally conflicted and may need assistance from e-PINE countries to help it

understand the importance of being unified for success in elections.

112. (C) Acting U/S Fried stressed the importance of Moldova's not being forced into neutrality - this is a choice that it must make for itself and is no business of Russia's nor that of any other country. Additionally, he said that e-PINE countries should work with Voronin, who is carving out a space for Moldovan sovereignty. The mood on both sides of the rivers seems to be changing, and there is a better chance at present for a 5 2 meeting.

Georgia

- 13. (C) Participants agreed that the current situation in Georgia is of concern. There was general agreement that there ought to be some sort of investigation of the UAV incident, but less agreement as to who should investigate and when. Sweden's Lyrvall, among others, thought that an EU expert team would be most credible, while the Baltic PolDirs argued time was of the essence and a team should be sent as soon as possible before any data/debris were lost. There was general concern about Russia's "peacekeeper" role since recent actions have demonstrated its lack of neutrality; it is no longer a mediator and has become party to the conflict. There was a general impression that Russia has been testing the West to see where the "red lines" are and how much will be tolerated. Vigorous, united diplomatic resistance is called for, especially from the Germans. Lyrall asked if there were a way to use CIS countries to pressure Russia on Georgia. He also stressed the importance of a clear message coming from the EU, noting that the GAERC meeting at the end of May would offer the opportunity for a strategic conversation on Georgia.
- $\P14$. (C) On the domestic front, PolDirs agreed that Georgia needs to make sure the elections go well and that it does not get a "pass" due to current problems. It is more important than ever that Georgia run democratic elections. Acting U/S Fried stressed the importance of a clear EU position on Georgia, expressing hope that EU members hadn't placed the issue in the category of "too much trouble." He noted that Germany had its own frozen conflict (i.e., the division of the country) when it joined NATO. DAS Bryza noted that the U.S. had worked with the Georgians to try to get them to moderate their behavior, while at the same time delivering a clear message to the Russians that their negative actions will have repercussions.
- 115. (C) At present, participants said, the "Friends" group is losing credibility with Georgia by talking about small steps. In order to re-energize and re-legitimize the group, the Friends should push for a dual agreement involving a promise on the Georgian side not to use force and a promise on the Abkhaz side to allow the IDPs to return. It is very important to get this right so that the Russians don't win a victory against the 1994 agreement.

Belarus

- 116. (C) Finland's Deputy Director General Anu Laamanen said that the positive developments of the past six months, with the release of a few political prisoners and the message that (unspecified) observers will be invited for the elections, appeared to be coming to an end. The EU had renewed its sanctions for another year. Unity of message is the key to dealing with Belarus; we should not allow Lukashenka to drive wedges or it will limit any chances for success. U.S. sanctions are reversible with good behavior; it is apparent that rewards for small steps do not work.
- 117. (C) Acting U/S Fried briefed on the current dispute between the U.S. and Belarus and what it might mean for the U.S. presence in Minsk going forward. He noted that U.S. sanctions against Belarus are tied to its release of political prisoners and to its human rights record. Unfortunately, instead of making improvements and releasing prisoners, Belarus has chosen to put pressure on the U.S. Embassy. The U.S. was reviewing a variety of options regarding its presence in Minsk and Belarusian presence in the United States. We need to make sure that Belarus continues to receive the same message from everyone.

Energy

118. (C) Lithuania's Leskevicius noted that energy is an important agenda item across the entire EU. Russia continues to use energy as a geopolitical tool to reward and punish. Political directors were in general agreement that it is important to develop practical solutions that are easy to follow through on. The structure of the EU, and the fact that energy policy remains largely a national issue, create problems for developing a unified energy strategy. The main goal of energy policy is to increase competition, not to bring down Gazprom.

119. (C) The progress being made by the Baltic littoral countries was noted; there was a sense of strategic direction. Norway noted that Europe could not look to increased product the Shtokman fields in Russia until the lat part of the next decade. PolDirs suggested that, in Ukraine, e-PINE needs to work with Gazprom to improve infrastructure, increase capacity, and cut out middlemen so that supplies of gas to and through Ukraine are cheaper and more reliable.

Russia

120. (C) Acting U/S Fried said that the basic strategy of the U.S. is cooperation where possible and pushback where necessary. This strategy does not allow Russia to create artificial linkages - i.e., there will be no cooperation on Iran at the expense of Georgia. The Russians are difficult partners for the e-PINE countries generally and they are unlikely to become easier with Russia's political transition. Swedish participants were in favor of trying to "build up" Medvedev in an effort to drive a wedge between him and Putin. The Norwegians stressed the importance of Allied unity.

Kosovo

121. (C) Estonian PolDir Orav noted the early recognition of Kosovo by most e-PINE countries. Acting U/S Fried noted that there are several positive aspects of the transition, namely the behavior of Kosovo's government and the security situation in much of the country. However, there are some difficulties in working out the orderly transition from UNMIK to EULEX, and Serbia's behavior in the north is worrisome. Sweden's Lyrvall agreed that the transition needs to be sorted out; while there may be a residual role for UNMIK, EULEX needs to take on the major role. Estonia's Orav also thought that if everything goes well in Kosovo, the next area of difficulty could well be Macedonia, on which NATO unity is important.

Middle East

122. (C) U.S. Israel-Palestine Deputy Office Director Nicole Shampaine said that negotiations between Israel and the Palestinians on permanent status issues are proceeding in secret, that we believe progress is being made in these discussions, and that we continue to hope for an agreement by the end of the year. Conditions on the ground for the Palestinians are bad, however, and this undermines both the current Palestinian Authority (PA) leadership and political efforts to make progress towards an agreement. The U.S. is urging both parties to implement their Roadmap obligations, which for the Palestinians means taking steps against terrorism and for Israel means stopping settlement expansion and removing unauthorized outposts. We are also encouraging Israel to reduce obstacles to movement in the West Bank (while still preserving Israeli security) in order to make it possible for the Palestinian economy to develop. Shampaine expressed appreciation to Norway for its leadership of the Ad Hoc Liaison Committee and to Sweden for its contributions as a donor nation. In Gaza, conditions are untenable but addressing them is extremely challenging in light of Hamas' de facto control of the area. The U.S. is encouraging Israel, Egypt and the PA to work together to resolve this issue.

Participants

123. (SBU) Participants in the e-PINE Political Directors'
Meetings included:

Denmark

Liselotte Plesner, Political Director William Boe, Deputy Director, European Neighborhood and Russia Dept.

Estonia

Aivo Orav, Political Director Tomas Tirs, South Caucasus Desk Officer Eva-Maria Liimets, Deputy Chief of Mission, Embassy of

Estonia

Finland

Anu Laamanen, Deputy Director General for Political Affairs Miia Lahti, First Secretary, MFA Leena Ritola, Minister Counselor, Embassy of Finland

Iceland

Greta Gunnarsdottir, Director-General for Political and Security Affairs Olafur Sigurosson, Deputy Chief of Mission, Embassy of Iceland

Latvia

Peteris Ustubs, Political Director Agnese Kalnina, Deputy Chief of Mission, Embassy of Latvia Guntis Lapsa, Third Secretary, Americas and Caribbean Countries Division

Lithuania

Vytautas Leskevicius, Director of Transatlantic Cooperation and Security Policy Egidijus Navikas, Head of CSFP Division and Deputy Political Director Tomas Gulbinas, Deputy Chief of Mission, Embassy of Lithuania

Norway

Vegard Ellefsen, Political Director Dag M. Halvorsen, Assistant Director General Odd-Inge Kvalheim, Minister Counselor, Embassy of Norway

Sweden

Bjorn Lyrvall, Director-General for Political Affairs Mats Steffansson, Ambassador, Deputy Director-General, Head of Department for Eastern Europe and Central Asia Erika Ferrer, Political Counselor, Embassy of Sweden

United States

Daniel Fried, Acting Under Secretary for Political Affairs Kurt Volker, Acting Assistant Secretary for European and Eurasian Affairs
Judy Garber, Deputy Assistant Secretary
Matt Bryza, Deputy Assistant Secretary
David Merkel, Deputy Assistant Secretary
Patrick Moon, Deputy Assistant Secretary, SCA
Chat Blakeman, S/I
Bob Gilchrist, Director, Office of Nordic and Baltic Affairs
Nicole Shampaigne, Deputy Director, Office of
Israel and Palestinian Affairs
Julie-Anne Peterson, e-PINE Coordinator

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